

July 2021

	Jul 21
Ordinary Income/Expense	
Income	
5000 · Revenue	
5100 · Media Placement Programs	24,693.27
Total 5000 · Revenue	24,693.27
Total Income	24,693.27
Gross Profit	24,693.27
Expense	
6000 · Operating Expenses	
6149 · Royalties & Applications Costs	
6150 · Program Expenses	
6192 · Sito Program Expenses	23,000.00
Total 6150 · Program Expenses	23,000.00
Total 6149 · Royalties & Applications Costs	23,000.00
6404 · Depreciation and amortization	
8309 · Amort. - Patent Expense	5,593.61
Total 6404 · Depreciation and amortization	5,593.61
6405 · Payroll Expenses	
6406 · Payroll	
6410 · Payroll - Officer	8,333.34
6411 · Payroll - Employees	50,761.68
Total 6406 · Payroll	59,095.02
6420 · Payroll Taxes	
6421 · Social Security Tax (ER)	2,880.10
6422 · Medicare Tax (ER)	673.56
6435 · NJ Unemployment Tax (ER)	157.50
Total 6420 · Payroll Taxes	3,711.16
6430 · Employee Benefits	
6431 · 125 Health Insur. (ER-EE)	7,857.97
6432 · 125 Dental Insur. (ER-EE)	-78.20
6430 · Employee Benefits - Other	-2,133.34
Total 6430 · Employee Benefits	5,646.43
6405 · Payroll Expenses - Other	1,007.62
Total 6405 · Payroll Expenses	69,460.23
7019 · General and administrative	
7020 · Telecom	
7021 · Wireless	300.00
Total 7020 · Telecom	300.00
7030 · Travel & Entertainment	
7033 · Meals	222.87
7034 · Auto/Taxi Expenses	0.00
7035 · Airfare/Train	0.00
7036 · Lodging	0.00
7037 · Parking/Tolls	0.00
Total 7030 · Travel & Entertainment	222.87

Profit & Loss**July 2021**

	Jul 21
7040 · Insurance	
7042 · Insurance - Worker's Comp.	506.80
7045 · Insurance - D & O	304,224.61
Total 7040 · Insurance	304,731.41
7050 · Professional Services	
7057 · SEC Edgarizing/Filing Fees	131.00
Total 7050 · Professional Services	131.00
7059 · Administrative Expenses	
7080 · Office Supplies/Expense	0.00
7092 · Dues and Subscriptions	279.96
7095 · Bank, Finance & Late Fees	1,385.54
7780 · Software	474.00
Total 7059 · Administrative Expenses	2,139.50
Total 7019 · General and administrative	307,524.78
Total 6000 · Operating Expenses	405,578.62
Total Expense	405,578.62
Net Ordinary Income	-380,885.35
Other Income/Expense	
Other Income	
8000 · Other Income	18,684.31
Total Other Income	18,684.31
Other Expense	
8050 · Interest Exp. - Misc.	4,489.00
Total Other Expense	4,489.00
Net Other Income	14,195.31
Net Income	-366,690.04

Profit & Loss

October 8, 2020 through July 31, 2021

	Oct 8, '20 - Jul 31, 21
Ordinary Income/Expense	
Income	
5000 · Revenue	
5009 · Licensing and royalties	
5010 · Licensing and royalties	207,744.41
Total 5009 · Licensing and royalties	207,744.41
5100 · Media Placement Programs	212,737.79
Total 5000 · Revenue	420,482.20
Total Income	420,482.20
Gross Profit	420,482.20
Expense	
6000 · Operating Expenses	
6149 · Royalties & Applications Costs	
6150 · Program Expenses	
6192 · Sito Program Expenses	162,855.68
Total 6150 · Program Expenses	162,855.68
Total 6149 · Royalties & Applications Costs	162,855.68
6404 · Depreciation and amortization	
8309 · Amort. - Patent Expense	93,563.30
8310 · Amort. - Technology	40,416.65
Total 6404 · Depreciation and amortization	133,979.95
6405 · Payroll Expenses	
6406 · Payroll	
6410 · Payroll - Officer	470,000.07
6411 · Payroll - Employees	531,516.41
Total 6406 · Payroll	1,001,516.48
6420 · Payroll Taxes	
6421 · Social Security Tax (ER)	29,876.15
6422 · Medicare Tax (ER)	7,251.00
6424 · CA Unemployment Tax (ER)	1,736.00
6435 · NJ Unemployment Tax (ER)	1,102.50
6437 · NY Unemployment Tax (ER)	638.39
6447 · TX Unemployment Tax (ER)	67.50
Total 6420 · Payroll Taxes	40,671.54
6430 · Employee Benefits	
6431 · 125 Health Insur. (ER-EE)	24,071.28
6432 · 125 Dental Insur. (ER-EE)	4,069.73
6430 · Employee Benefits - Other	-10,128.85
Total 6430 · Employee Benefits	18,012.16
6405 · Payroll Expenses - Other	25,258.66
Total 6405 · Payroll Expenses	1,085,458.84
7019 · General and administrative	
7020 · Telecom	
7021 · Wireless	1,470.00
7023 · Local/Long Dist/Conferencing	175.89

October 8, 2020 through July 31, 2021

	Oct 8, '20 - Jul 31, 21
Total 7020 · Telecom	1,645.89
7030 · Travel & Entertainment	
7033 · Meals	222.87
7034 · Auto/Taxi Expenses	0.00
7035 · Airfare/Train	0.00
7036 · Lodging	0.00
7037 · Parking/Tolls	0.00
Total 7030 · Travel & Entertainment	222.87
7040 · Insurance	
7042 · Insurance - Worker's Comp.	3,871.23
7045 · Insurance - D & O	529,946.85
Total 7040 · Insurance	533,818.08
7050 · Professional Services	
7051 · Legal	
7051.04 · Legal -Bankruptcy	100,000.00
7051.01 · Legal - General	3,588.18
7051 · Legal - Other	-100,000.00
Total 7051 · Legal	3,588.18
7052 · Accounting	5,561.89
7056 · STS Stock Agent	912.35
7057 · SEC Edgarizing/Filing Fees	14,727.53
7100 · Market./Consult./Presentations	10,575.00
Total 7050 · Professional Services	35,364.95
7059 · Administrative Expenses	
7010 · Office Rent	200.00
7070 · Postage and Delivery	9.50
7080 · Office Supplies/Expense	1,100.00
7085 · Permits & License Fees	115.00
7092 · Dues and Subscriptions	61,125.94
7095 · Bank, Finance & Late Fees	5,714.75
7780 · Software	4,209.36
8350 · Bad Debts Expense	194,973.76
Total 7059 · Administrative Expenses	267,448.31
Total 7019 · General and administrative	838,500.10
Total 6000 · Operating Expenses	2,220,794.57
6402 · Server Hosting	31.97
Total Expense	2,220,826.54
Net Ordinary Income	-1,800,344.34
Other Income/Expense	
Other Income	
8000 · Other Income	1,022,228.76
Total Other Income	1,022,228.76
Other Expense	
8050 · Interest Exp. - Misc.	38,059.00
9000 · Misc. Expense	2,981.03

Profit & Loss**October 8, 2020 through July 31, 2021**

	Oct 8, '20 - Jul 31, 21
9001 · State Corporate Taxes	800.00
9003 · Other Taxes	454.08
9018 · Impaired Asset Write-Off	422,304.56
Total Other Expense	464,598.67
Net Other Income	557,630.09
Net Income	-1,242,714.25

Balance Sheet
As of July 31, 2021

Jul 31, 21

ASSETS

Current Assets

Checking/Savings

1021 · Wells Fargo R&D IP Checking 28,795.36

1011 · Wells Business Checking DIP BK 81,726.87

Total Checking/Savings 110,522.23

Accounts Receivable

1200 · Accounts Receivable 136,224.00

Total Accounts Receivable 136,224.00

Other Current Assets

1207 · Accounts Receivable Other

1398 · Allowance for Bad Debts -2,327.79

Total 1207 · Accounts Receivable Other -2,327.79

Total Other Current Assets -2,327.79

Total Current Assets 244,418.44

Fixed Assets

1418 · Property and Equipment, Net

1419 · Property and Equipment

1420 · Leasehold Improvements 290,873.62

1430 · Office Furniture & Equipment 212,377.07

1440 · Machinery & Equipment 3,190.94

1510 · Computer Equipment/Software 209,972.16

1515 · IVR-Computer Equipment/Software 5,683.63

1522 · Boise Data Center 7,859.19

Total 1419 · Property and Equipment 729,956.61

1570 · Accumulated Depreciation

1573 · Accum. Dep.-Furn. & Fixtures -212,377.07

1576 · Accum. Dep.-Mach. & Equip. -3,190.94

1579 · Accum. Dep.-Soft. & Computers -209,972.16

1582 · Accum. Dep.-IVR Comp. Equip. -5,683.63

1585 · Accum. Deprec.-Boise Data Ctr. -7,859.19

1587 · Accum. Dep.-Leasehold Impro. -290,873.62

Total 1570 · Accumulated Depreciation -729,956.61

Total 1418 · Property and Equipment, Net 0.00

Total Fixed Assets 0.00

Other Assets

1671 · Capitalized Development Costs

1675 · Software Development Costs 4,599,888.31

1676 · Accum. Amort. Soft. Dev. Costs -4,599,888.31

Total 1671 · Capitalized Development Costs 0.00

1790 · Patents Application Cost

1792 · Accum. Amort. - Patent Costs -2,443,200.63

1790 · Patents Application Cost - Other 2,751,605.97

Total 1790 · Patents Application Cost 308,405.34

1950 · Deposits and other assets

Balance Sheet

As of July 31, 2021

	Jul 31, 21
1600 · Security Deposit - Rents	5,098.00
Total 1950 · Deposits and other assets	5,098.00
1980 · Technology	
1980.01 · Technology - Total Costs	970,000.00
1980.02 · Technology - Amortization	-970,000.00
Total 1980 · Technology	0.00
1985 · Customer Relationships	
1985.01 · Customer Relationships - Total	870,000.00
1985.02 · Customer Relationships - Amor.	-870,000.00
Total 1985 · Customer Relationships	0.00
1990 · Backlog	
1990.01 · Backlog - Total Cost	110,000.00
1990.02 · Backlog - Amortization	-110,000.00
Total 1990 · Backlog	0.00
Total Other Assets	313,503.34
TOTAL ASSETS	557,921.78
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	13,123,963.21
Total Accounts Payable	13,123,963.21
Other Current Liabilities	
2004 · Loan from Government PPP	1,292,100.00
2008 · Note Payable	
2008-00 · Hiroaki Aoyama.	521,207.00
2008-16 · Gavin A. Scotti Jr.	410,850.00
2008-15 · Stephen D Baksa	312,659.00
2008-14 · Hiroaki Aoyama	104,160.00
2008-13 · MediaJel	276,721.00
2008-12 · Gavin Scotti, Sr.	100,394.00
2008-11 · Ted Cooper Gardening Service	134,903.00
2008-09 · Stephen D. Baksa	689,012.00
2008-08 · Blackwell Aviation Inc.	136,667.00
2008-07 · Superius Securities Group, Inc.	341,663.00
2008-02 · Medford Bragg	243,343.00
2008-03 · Invenire Partners LP	690,625.00
2008-04 · Edward M Giles	138,859.00
2008-05 · Christopher Scotti	450,772.00
2008-06 · Gavin A Scotti Jr	1,231,485.00
Total 2008 · Note Payable	5,783,320.00
2009 · Accrued Expenses	
2010 · Accrued Expense	612,000.00
2021 · Accrued Interest - N/P	15,462.43
2022 · Accrued Bonus Compensation	65,000.00
2100 · Accrued Payroll	

Balance Sheet**As of July 31, 2021**

	Jul 31, 21
2102 · Accrued Payroll Taxes	27,415.09
2104 · Accrued Payroll - Officer	486,666.75
Total 2100 · Accrued Payroll	514,081.84
Total 2009 · Accrued Expenses	1,206,544.27
Total Other Current Liabilities	8,281,964.27
Total Current Liabilities	21,405,927.48
Total Liabilities	21,405,927.48
Equity	
3001 · Common Stock	25,642.10
3004 · Add.Paid-In Capital - Warrants	-1,061,578.00
3005 · Additional Paid-In Capital	189,721,941.46
3100 · Retained Earnings	-209,118,374.60
Net Income	-415,636.66
Total Equity	-20,848,005.70
TOTAL LIABILITIES & EQUITY	557,921.78

WellsOne® Account

Exhibit to July 2021 Monthly Operating Report Page 9 of 13

Account number: [REDACTED] 6162 ■ July 1, 2021 - July 31, 2021 ■ Page 1 of 2

**WELLS
FARGO**

SITO MOBILE SOLUTIONS INC
DEBTOR IN POSSESSION
CH11 CASE #20-21436 (NJ)
123 TOWN SQUARE PL #419
JERSEY CITY NJ 07310-1756

Questions?

Call your Customer Service Officer or Client Services
1-800-AT WELLS (1-800-289-3557)
5:00 AM TO 6:00 PM Pacific Time Monday - Friday

Online: [wellsfargo.com](https://www.wellsfargo.com)

Write: Wells Fargo Bank, N.A. (182)
PO Box 63020
San Francisco, CA 94163

Account summary**WellsOne® Account**

Account number	Beginning balance	Total credits	Total debits	Ending balance
[REDACTED] 6162	\$26,114.53	\$291,386.24	-\$235,773.90	\$81,726.87

Credits**Electronic deposits/bank credits**

Effective date	Posted date	Amount	Transaction detail
	07/06	100,000.00	WT Seq#89224 Td Ameritrade Clearing /Org=Gavin A Scotti Srf# Ec21070633645587 Trn#210706089224 Rfb# 22879045
	07/07	5,453.14	Majority Strateg Achbatch 6953025 01;02;03;04
	07/13	2,634.04	Site on Time,LLC Sot AP Jul 13 34798 Sito Mobile Solutions,
	07/27	178,949.05	Online Transfer Do 6 Month Deposit and 1St Months Payment Ref #Bb0Bzzhjh
	07/27	4,350.01	Site on Time,LLC AP Jul 27 34798 Sito Mobile Solutions,
		\$291,386.24	Total electronic deposits/bank credits
		\$291,386.24	Total credits

Debits**Electronic debits/bank debits**

Effective date	Posted date	Amount	Transaction detail
	07/01	6,714.23	WT Fed#06004 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0701571421004006 Trn#210701057760 Rfb# 0534595Vv
	07/02	1,066.67	WT Fed#04894 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0702111328004793 Trn#210702050673 Rfb# 0534596Vv
	07/02	417.20	< Business to Business ACH Debit - ADP Payroll Fees ADP - Fees 210702 662920344658234 Sito Mobile Solutions
	07/06	4,779.96	WT 210706-022167 Bank of America, NE /Bnf=Lisa Patrick Pallack Srf# Gw00000043126112 Trn#210706022167 Rfb# 2192

**WELLS
FARGO****Electronic debits/bank debits (continued)**

Effective date	Posted date	Amount	Transaction detail
	07/07	506.80	< Business to Business ACH Debit - Cna ACH Prem-Pymt 210706 3033560574 SITO Mobile, Ltd
	07/08	452.56	< Business to Business ACH Debit - The Guardian Jul Gp Ins Jul 01 52161800Be20000 SITO
	07/12	440.75	Client Analysis Svc Chrg 210709 Svc Chge 0621 000004833796162
	07/13	175.00	Microsoft 6041 EDI Paymnt Jul 12 Z41Fphoocy68 TRN*1*Z41Fphoocy68\
	07/15	299.00	WT Fed#01494 Jpmorgan Chase Ban /Ftr/Bnf=Limegoat Srf# July Invoice 000 Trn#210714209459 Rfb# 2193
	07/16	77.65	< Business to Business ACH Debit - ADP Payroll Fees ADP - Fees 210716 10Fix 3302438 SITO Mobile Solutions
	07/19	17,505.21	WT Fed#04511 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0719237450003764 Trn#210719050275 Rfb# 6400171086
	07/19	6,714.22	WT Fed#04107 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0719236992003627 Trn#210719048231 Rfb# 0714900Vv
	07/20	1,066.67	WT Fed#03510 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0720292121003460 Trn#210720038984 Rfb# 0714901Vv
	07/20	9,665.16	< Business to Business ACH Debit - Cigna Edge Trans Collection 601700518073 SITO Mobile Solutions,
	07/23	6,300.00	WT 210723-095909 Bank of America, NE /Bnf=Lisa Patrick Pallack Srf# July Expense Rei Trn#210723095909 Rfb# 2194
	07/23	131.00	< Business to Business ACH Debit - Edgar Agents, LI Sale 210723 SITO Mobile
	07/27	178,949.05	WT Fed#08157 Commerce Bank /Ftr/Bnf=Lockton Founders Series of Lockton Srf# Invoice 20226573 Trn#210727192555 Rfb# 2195
	07/30	512.77	< Business to Business ACH Debit - ADP Payroll Fees ADP - Fees 210730 662920346875103 SITO Mobile Solutions
		\$235,773.90	Total electronic debits/bank debits

\$235,773.90 Total debits

< **Business to Business ACH:** If this is a business account, this transaction has a return time frame of one business day from post date. This time frame does not apply to consumer accounts.

Daily ledger balance summary

Date	Balance	Date	Balance	Date	Balance
06/30	26,114.53	07/08	117,630.25	07/19	95,052.46
07/01	19,400.30	07/12	117,189.50	07/20	84,320.63
07/02	17,916.43	07/13	119,648.54	07/23	77,889.63
07/06	113,136.47	07/15	119,349.54	07/27	82,239.64
07/07	118,082.81	07/16	119,271.89	07/30	81,726.87

Average daily ledger balance \$86,974.31

Commercial Business Checking

Account number: [REDACTED] 6483 ■ July 1, 2021 - July 31, 2021 ■ Page 1 of 1

**WELLS
FARGO**SITO MOBILE R&D IP, LLC
123 TOWN SQUARE PL #419
JERSEY CITY NJ 07310-2778**Questions?**Call your Customer Service Officer or Client Services
1-800-AT WELLS (1-800-289-3557)
5:00 AM TO 6:00 PM Pacific Time Monday - FridayOnline: [wellsfargo.com](https://www.wellsfargo.com)Write: Wells Fargo Bank, N.A. (347)
P.O. Box 6995
Portland, OR 97228-6995**Account summary****Commercial Business Checking**

Account number	Beginning balance	Total credits	Total debits	Ending balance
[REDACTED] 6483	\$207,744.41	\$0.00	-\$178,949.05	\$28,795.36

Debits**Electronic debits/bank debits**

Effective date	Posted date	Amount	Transaction detail
	07/27	178,949.05	Online Transfer Do 6 Month Deposit and 1st Months Payment Ref #Bb0Bzzjhjz
		\$178,949.05	Total electronic debits/bank debits
		\$178,949.05	Total debits

Daily ledger balance summary

Date	Balance	Date	Balance
06/30	207,744.41	07/27	28,795.36
Average daily ledger balance		\$178,881.66	

**IMPORTANT ACCOUNT INFORMATION**

Effective September 1, 2021, the non-Wells Fargo ATM balance inquiry fee will increase from \$2.00 to \$2.50, and the non-Wells Fargo ATM transfer fee will increase from \$2.00 to \$2.50. To avoid these fees, monitor your balances and transfer money by accessing Wells Fargo ATMs, calling the number on the back of your card, and using Wells Fargo Online® or the Wells Fargo Mobile® app. Availability may be affected by your mobile carrier's coverage area. Your mobile carrier's message and data rates may apply. These fees may not be applicable to all customers and may vary depending on the type of Account you have. For more details, refer to the applicable Wells Fargo Fee and Information Schedule for your Account.

SITO Mobile Solutions, Inc.

Reconciliation Summary

1021 - Wells Fargo R&D IP Checking, Period Ending 07/31/2021

	<u>Jul 31, 21</u>
Beginning Balance	207,744.41
Cleared Transactions	
Checks and Payments - 1 item	<u>-178,949.05</u>
Total Cleared Transactions	<u>-178,949.05</u>
Cleared Balance	<u>28,795.36</u>
Register Balance as of 07/31/2021	28,795.36
Ending Balance	28,795.36

SITO Mobile Solutions, Inc.

Reconciliation Detail

1011 - Wells Business Checking DIP BK, Period Ending 07/31/2021

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						26,114.53
Cleared Transactions						
Checks and Payments - 18 items						
Check	07/01/2021	dm	ADP Taxes	X	-6,714.23	-6,714.23
Check	07/02/2021	dm	Direct Deposit	X	-1,066.67	-7,780.90
Check	07/02/2021	dm	ADP Fees	X	-417.20	-8,198.10
Bill Pmt -Check	07/06/2021	dm	Patrick, Lisa (Exp. R...	X	-4,779.96	-12,978.06
Check	07/07/2021	dm	CNA	X	-506.80	-13,484.86
Bill Pmt -Check	07/08/2021	dm	Guardian (Dental)	X	-452.56	-13,937.42
Check	07/12/2021	dm	Client Analysis Servi...	X	-440.75	-14,378.17
Bill Pmt -Check	07/13/2021	DM	Microsoft 365	X	-175.00	-14,553.17
Bill Pmt -Check	07/15/2021	dm	LimeGoat	X	-299.00	-14,852.17
Check	07/16/2021	dm	ADP Fees	X	-77.65	-14,929.82
Check	07/19/2021	dm	Direct Deposit	X	-17,505.21	-32,435.03
Check	07/19/2021	dm	ADP Taxes	X	-6,714.22	-39,149.25
Bill Pmt -Check	07/20/2021	dm	Cigna HealthCare	X	-9,665.16	-48,814.41
Check	07/20/2021	dm	Direct Deposit	X	-1,066.67	-49,881.08
Bill Pmt -Check	07/23/2021	dm	Patrick, Lisa (Exp. R...	X	-6,300.00	-56,181.08
Bill Pmt -Check	07/23/2021	dm	Edgar Agents, LLC	X	-131.00	-56,312.08
Bill Pmt -Check	07/27/2021	dm	Lockton Companies,...	X	-178,949.05	-235,261.13
Check	07/30/2021	dm	ADP Fees	X	-512.77	-235,773.90
Total Checks and Payments					-235,773.90	-235,773.90
Deposits and Credits - 5 items						
Deposit	07/06/2021			X	100,000.00	100,000.00
Deposit	07/13/2021			X	2,634.04	102,634.04
Deposit	07/27/2021			X	4,350.01	106,984.05
Deposit	07/27/2021			X	5,453.14	112,437.19
Transfer	07/27/2021			X	178,949.05	291,386.24
Total Deposits and Credits					291,386.24	291,386.24
Total Cleared Transactions					55,612.34	55,612.34
Cleared Balance					55,612.34	81,726.87
Register Balance as of 07/31/2021					55,612.34	81,726.87
Ending Balance					55,612.34	81,726.87